



South Dakota Telecommunications Association

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Rural roots, global connections

May 20, 2005

Ms. Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: CC Docket No. 01-92
In the Matter of Developing a Unified Inter-carrier Compensation Regime

Dear Ms. Dortch:

Attached please find an electronic filing of the Initial Comments of the South Dakota Telecommunications Association in reference to CC Docket No. 01-92, in response to the Commission's Further Notice of Proposed Rulemaking (FNPRM) FCC 05-33 released March 3, 2005. These comments are filed electronically in accord with the specific instructions contained in the Commission's Notice.

A certificate of service verifying electronic submission of the comments to the other individuals referenced in the Notice is also provided.

Sincerely,

Richard D. Coit
Executive Director and General Counsel
South Dakota Telecommunications Association

Attachments

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of Developing a Unified)
Intercarrier Compensation Regime)

CC Docket No. 01-92

Initial Comments of the South Dakota Telecommunications Association

The South Dakota Telecommunications Association (SDTA), an association of thirty-one (31) cooperative, independent, municipal and tribal telephone companies serving mainly rural South Dakota, hereby submits comments in the above captioned proceeding. In its Further Notice of Proposed Rulemaking (FNPRM), FCC 05-33, released March 3, 2005, the Federal Communications Commission ("Commission") solicits comments from interested parties on intercarrier compensation reform proposals submitted to the Commission by industry groups, including the legal and economic bases for the proposals, the end-user effects and the universal service implications. The Commission also asks parties to comment on the proposals' effects on network interconnection and to discuss implementation issues associated with the plans.

SDTA is making this filing to note for the record its concurrence in comments being filed in this proceeding by the Rural Alliance and the Centralized Equal Access (CEA) Providers comprised of South Dakota Network, LLC (SDN), Iowa Network Services, Inc. (INS) and Onvoy, Inc. (Onvoy). SDTA opposes, as do the Rural Alliance and the CEA Providers, the imposition of a bill-and-keep regime as advocated by a few of the groups who submitted proposals.

SDTA recognizes that for its member companies to be able to continue to provide to their customers telecommunications services that are comparable to those services provided in urban areas and at comparable rates, any new intercarrier compensation plan must encourage investment in rural telecommunications infrastructure, protect affordable end-user rates and

provide for the sustainability of universal service. These intercarrier compensation plan criteria supported by SDTA can be met by adopting the plan proposed by the Rural Alliance which is based on its eight "fundamental principles:"

- Intercarrier compensation rates should be uniform and cost-based.
- Current interconnection points and rules should be maintained.
- The retail service provider should pay for the network usage it creates.
- Transiting services should be available at just and reasonable rates and conditions.
- Local service benchmark rates should be imputed in revenue replacement funds.
- Revenue replacement payments should be based on net revenue losses.
- Current universal service collection mechanisms are becoming unsustainable.
- To protect rural customers, there needs to be additional oversight of IP interconnection and infrastructure-based universal service.

SDTA will expand on its positions stated herein in this proceeding's subsequent Reply Comments cycle.

Dated: May 20, 2005

Respectfully submitted,

South Dakota Telecommunications Association

By: 

Richard D. Coit

Executive Director

South Dakota Telecommunications Association

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CERTIFICATE OF SERVICE

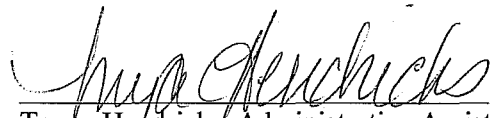
I hereby certify that the foregoing Initial Comments of the South Dakota Telecommunications Association were submitted via the FCC's Electronic Comment Filing System on the 20th day of May, 2005, directed to the attention of:

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Copies were also sent electronically to the following persons, directed to the stated e-mail address:

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Tonya Hendricks, Administrative Assistant
South Dakota Telecommunications Association